

Kimball Board of Public Works
Regular Meeting
May 26, 2015

A regular meeting of the Board of Public Works was convened in open and public session at 4:15 p.m. on May 26, 2015 at the City Council Chambers. Board members Cederburg, Moeser, Fossand, Rowley and Robinson were present. Also present were Water Superintendent Ford, Power Plant Supervisor Terrill, Mayor Prunty, City Administrator Ortiz, City Treasurer Sisk, and City Clerk Russell. The public was represented.

Notice of the meeting was given in advance by publication in the Western Nebraska Observer. Notice of the meeting was given to the members and a copy of their acknowledgement of receipt of notice and the agenda is on record at the office of the City Clerk. Availability of the agenda was communicated in advance notice and in the notice to the members. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public.

Chairperson Cederburg called the meeting to order at 4:15 p.m. and acknowledged the posted Open Meetings Act.

The Board of Public Works reviewed the following items under the consent agenda:

1. Minutes from the regular meeting of April 28, 2015
2. Claims;
3. Treasurer's Report from April 2015; and
4. Financial Reports from April 2015.

Robinson moved and Moeser seconded to accept the consent agenda. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Moeser, Fossand, Rowley and Robinson. Nay: None. Absent: None. Motion passed.

Cederburg opened discussion on amending the Policy for Termination of Service Due to Nonpayment of Bill. Jerry Williams, 709 Marian Street, had requested this item be on the agenda. He has been a resident of Kimball for 41 years and now he travels south for a while during the winter months. Williams expressed concerns about some of the billing rules. During a recent billing cycle, he didn't receive a bill and he was told that he was on the shut-off list for his storage building. Williams has spoken to a number of his friends that travel and all of them feel pressured to get the bill paid in an opportune time.

Williams asked that when the disconnect list comes out and there are people on the list that aren't normally there, to give them a call. He spoke about his sister misplacing her bill and her power being shut off. Williams said Kimball is a small town and it is important to get the payments, however he is concerned about other situations specifically pertaining to older people. He said people are treated differently every day.

Cederburg said it is a real convenience to have payments automatically deducted from bank accounts and suggested Williams think about doing that. Robinson commented that it is difficult to put what Williams suggested in a fair and consistent policy.

Discussion was held on individuals who are in the hospital and the ability to contact them. Williams spoke again about being part of the community and doing things for the community as much as possible.

Ortiz said at the time the policy was adopted, there were five to seven notifications being done. At that time, there was some consensus that the customers would need to be responsible for their bills. Ortiz explained the number of shut-offs and said there are some exceptions made based on what the workloads are. There are some cases on the commercial accounts where it has to be disconnected by the electric crew. He commented on the disconnect list and repeat customers and said it would be labor-intensive to check payment history.

Williams commented that the repeat customers on the disconnect list are not responsible. Moeser said perhaps it would be easier for the snow birds to have automatic payments from their bank accounts. Williams said he doesn't like people to get into his account. He knows this is a difficult thing but doesn't have a solution for this.

Cederburg expressed appreciation for Williams' comments and concerns and said the Board will give this some thought.

Robinson asked Ortiz if the current policy is working and Ortiz said it is. Ortiz also commented on the payment plan. Ortiz said an on-line bill pay system is being explored. There will be a significant cost to implement, but this is an option that is available. Ortiz also commented on text message and email notifications but this would require a separate software.

Robinson said the City needs to give this issue some consideration.

Cederburg opened discussion on the Western Area Power Administration 2025 LAP FES Contract. Ortiz said this is a renewal and the City Attorney has reviewed the agreement. WAPA provides one-third of the City's power. This agreement is being offered at this time in order to provide certainty regarding the LAP FES allocation beyond September 30, 2024 when the current contract expires.

Fossand commented on the situation with MEAN and it being a long-term contract. Ortiz explained that the City could get out of the contract with WAPA, however, the chances of moving away from WAPA are very slim. The transmission rates may change, but the City has no control over that.

There being no further discussion, Robinson moved and Rowley seconded to recommend approval to the City Council of the Western Area Power Administration

2025 LAP FES Contract. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Moeser, Fossand, Rowley and Robinson. Nay: None. Absent: None. Motion passed.

Cederburg opened discussion on the Power Plant update and MEAN Electrical Resources Pooling Agreement Policies and Procedures review. Ortiz explained there is a lot of reporting for the Power Plant. At the last meeting, Board members heard about the #3 engine being shut down and red tagged. Recently, when generating for the substation, the #2 engine was spewing oil and had to be shut down as well.

MEAN is notified whenever the Power Plant generates. A representative from MEAN visited the Power Plant and saw that there were two engines shut down. He informed the City that MEAN is to be notified when engines are shut down and commented on the difference between a maintenance outage and a forced outage. The ERPA agreement specifies a time table to get repairs done and the engine back on line.

Something that came about as a result of the engines being shut down was the possibility of recommissioning the engines as diesel fuel only and this will save on the maintenance expense. The ERPA agreement spells out that there needs to be adequate staff; and participants that lease generation to MEAN will not plan for maintenance outages from June 1 through September 30.

Robinson inquired what it takes to decommission from two fuels and Ortiz said that the EPA would have to be contacted to find out to do this. Robinson inquired how long 20,000 gallons of diesel fuel would last and Terrill said they ran for eight hours and used 200 to 300 gallons of diesel fuel. It was also a fairly low usage day. Ortiz said diesel is a much more reliable fuel source to maintain the kilowatts.

Ortiz informed board members about the recent MEAN Quarterly Board of Directors meeting. The change that was made with the rate structure seems to be working out well. There are a couple items that will be impacting MEAN that will also have an impact on the City. One of them is renewable energy. There are communities who are starting to see large renewable energy projects brought on-line. This will affect the load and will impact rates down the road. Ortiz said it is surprising that this is something that MEAN is just starting to look at. This will have a large impact over the years as more projects occur. Ortiz would like to be proactive and get some policies in place with regard to Kimball's system.

Ortiz commented on the WAPA agreement and indicated it was discussed at the MEAN Board meeting as well. As a MEAN member, the City is tied to the bonds and the agreement is that it is not necessarily the bonded projects, but also long-term projects. MEAN approved the contract with the caveat that it is not going to extend the life of the contract for all members. MEAN is going to have to change the project scope.

Ortiz explained system capacity and additional regulations from the Federal level.

Ortiz reported the Landfill has really been impacted by all the recent rain and access to the Landfill has had to be limited. Ortiz indicated it is planned to put millings in front of the bailer station. NDEQ will be doing a comprehensive inspection of the Landfill for renewal of the C & D Permit. Ortiz asked Golder Associates for a quote for engineering services. In 2010, their quote was \$6,800. Their quote this year was \$14,000. Therefore, Ortiz has asked another firm for a proposal. Ortiz believes the higher quote is due to increased hours and also NDEQ has been must more diligent in their review.

Ortiz reported that Landfill Superintendent Schulte is researching options for the garbage truck and Ortiz has asked him to look if there is a trade-in value. The initial projection for a garbage truck is 175,000.

Ortiz reported that an order was placed for 2 yard garbage containers and the 3 yarders that can be repaired will be repaired.

Ortiz reported there is another water leak on Rodman Court and Water Superintendent Ford said it is the third one. There are some maintenance items on the pool side and it is planned to open on June 10th, weather permitting.

There being no further business to come before the Board of Public Works, Moeser moved and Rowley seconded to adjourn the meeting at 5:15 p.m. On roll call vote, the following votes were recorded on the electronic voting board. Aye: Cederburg, Moeser, Fossand, Rowley and Robinson. Nay: None. Absent: None. Motion passed.

Chairperson

City Clerk

City of Kimball-Board of Public Works Meeting-Utility Claims-May 26, 2015-Dollar General Corporation-Supplies-25.63; Kimball Auto Parts-Parts-40.64; Safetyline Consultants, Inc.-Training-750.00; Western Nebraska Observer-Meeting Notices-407.37; Payroll Fund-Payroll Transfer-42,482.23; Charter Communications-Internet Service-215.25; Connecting Point-Services- 623.71; Eagles-Employees Dinner-374.00; Frenchman Valley Coop-Fuel-1,477.74; Hasler-Postage- 2,000.00; High West Energy-Utilities-8,260.00; Panhandle Coop Association-Supplies-36.89; Simmons Olsen Law Firm, P.C.-Professional Services-735.00; Star-Herald Newspaper-Advertising-71.41; The United States Life Insurance Company-Premiums-803.52; Viaero-Phone-121.17; CenturyLink-Phone-639.77; Centurylink Communications, Inc.-Long Distance-91.49; Action Communications-Supplies-1,082.00; Big Sky Energy Equipment, Inc.-Supplies-35.00; City of Kimball-Transfer-1,587.04; City of Kimball-Transfer-13,855.79; City of Kimball-Occupation Taxes-10,593.41; City of Kimball-Transfer-590.74; Combined Utilities-Utilities-143.87; Cornerstone Bank Trust Department-Interest-1,597.50; Cornerstone Bank Trust Department-Electric Bonds-250.00; Cornerstone Bank Trust Department-Interest-10,620.00; Cornerstone Bank Trust Department-Interest-5,610.50; Crescent Electric Supply Co.-Supplies-996.73; Culligan-Rental- 32.20; Dollar General Corporation-Supplies-26.40; Exponential Engineering, Co.-Professional Services-8,087.25; Fedex-Shipping-214.46; Frenchman Valley Coop-Fuel-16,828.60; Bonita

Gorecki-Service Deposit Refund-8.25; Hach Company-Supplies-269.07; Hometown Hardware-Supplies-1,242.33; Ideal Linen Supply-Supplies-47.72; Lucas F. Jellison-Service Deposit Refund-19.10; Keep Kimball Beautiful-Landfill Fee-2,508.00; Kimball Auto Parts-Supplies-1,347.78; Kimball Event Center-Meals-188.25; Kimball Service Center-Services-1,270.00; Kriz-Davis Company-Services-463.98; Larsen's Jewelry Store-Supplies-67.41; Lincoln Winwater Works-Supplies-160.50; LorRon Department Store-Supplies-148.00; MEAN-RITA Installment-134,372.53; Midwest Laboratories, Inc.-Supplies-252.90; Napa Auto Parts-Parts-328.36; Nebraska Municipal Power Pool-Service-975.00; Nebraska Public Health Enviro Lab-Services-45.00; One Call Concepts-Locates-59.30; Panhandle Coop-Supplies-91.88; Jorge Portillo-Service Deposit Refund-1.89; Powerplan-Parts-418.38; Prestige MFG.-Services-595.00; Mysti Reutlinger-Service Deposit Refund-12.28; Robinson Electric-Services-220.00; Shopko Stores Operating Co.-Supplies-70.91; Skarshaug Testing Laboratory-Supplies-213.13; SourceGas, LLC- Gas Service-4,180.78; Southwestern Equipment Co.-Parts-293.43; Norma Stolz-Service Deposit Refund-10.08; The Right Impression-Supplies-7.20; Carma Webb-Service Deposit Refund-152.74; Wesco Distribution Receivables Corp.-Parts-1,354.23; Wheeler World, Inc.-Services-21,031.04; Z & S Construction Co.-Services-1,623.38; Payroll Fund-Payroll Transfer-42,352.10.